



April 27, 2016

The Honorable Jim Stamas Michigan State Senate P.O. Box 30036 Lansing, MI 48909-7536

Dear Senator Stamas:

The American Forest & Paper Associationⁱ (AF&PA) and the Michigan Forest Products Councilⁱⁱ (MFPC) appreciate the opportunity to share our perspective on Senate Bill 853, the measure that prohibits local regulation of "auxiliary containers", which includes paper and plastic bags, cardboard, corrugated material, plastic and other packaging used to transport or protect merchandise, food or beverages.

AF&PA and MFPC support preempting local jurisdictions from enacting bans or taxes on "auxiliary containers" because it prevents the patchwork of local ordinances that penalize paper and paper-based packaging—a commodity that is highly recycled, recyclable, compostable and renewable.

Our industry achieves a consistently high recovery rate. In 2014, 65.4 percent of all paper consumed in the U.S. was recovered for recycling, and the recovery rate has met or exceeded 63 percent for the past six years. Paper is the most-recycled material in the U.S. today. According to the Environmental Protection Agency, more paper (by weight) is recovered for recycling from municipal solid waste streams than glass, plastic and aluminum combined. In 2014, 96 percent of the U.S. population had access to community curbside and/or drop-off paper recycling services.

Offering bags and containers at the point of purchase is a natural part of customer service. Many services are included in the price of the goods consumers already buy, such as rent, electricity, insurance and employee wages. Additional taxes and fees also burden hard working citizens, increasing the cost of basic necessities for all citizens and disproportionately impacting those who earn lower-incomes.

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The paper and paper-based packaging industry has set and met goals established on a voluntary basis, and publicly reported on performance. The industry remains open to working with others in the private and public sectors to maximize paper recovery, which has been part of our thinking as we have nearly doubled our recovery rate in the last 20 years.

Thank you for the opportunity to share our views on this measure and we urge support for S.B. 853.

Sincerely,

Elizabeth Bartheld

Vice President, Government Affairs

American Forest & Paper Association

Kevin Korpi

Executive Director

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Michigan Forest Products Council

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Michigan Senate Commerce Committee CC:

Senator Ken Horn

Senator Jack Brandenburg

Senator Mike Shirkey

Senator Wayne A. Schmidt

AF&PA is the national trade association for the forest products industry, representing pulp, paper, packaging, tissue and wood products manufacturers, and forest landowners. Our companies make products essential for everyday life from renewable and recyclable resources that sustain the environment. The forest products industry accounts for approximately 4 percent of the total U.S. manufacturing GDP, manufactures approximately \$210 billion in products annually, and employs nearly 900,000 men and women. The industry meets a payroll of approximately \$50 billion annually and is among the top 10 manufacturing sector employers in 47 states. Visit AF&PA online at www.afandpa.org or follow us on Twitter @ForestandPaper.

ii The Michigan Forest Products Council works to promote, protect and sustain a globally competitive forest products industry in Michigan. The Michigan Forest Products Council is a statewide organization representing the forest products industry, which owns millions of acres of timberland and employs over 87,000 men and women in Michigan.